

PHILIP MORRIS U.S.A.

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TO: Maarten Terry
FROM: Marlboro Racing
SUBJECT: Bosch Spark Plug Grand Prix

DATE: May 6, 1996

Race Results - Attached

Pack Sales

MTP Carton sales increased by a small margin of 4% from 1995. Total pack sales results were down 10% from 1995. Sales were lower in the 4Pk, 8 Pk, 2 Ctn, 2 Ctn+\$10, and 2 Ctn+\$75 categories. But, overall total pack sales saw an increase of 3% from 1995. Race Day Kits sales are remaining high and overall T-shirts sales are steady.

Please see the attached sales reports for more detailed information.

Garage Tours

Attendance was within maximum limit of 25. Driver's were not able to appear due to a scheduled appearance at the Employee Day tent. In lieu of the drivers' appearance, color 8x10 photos will be autographed by each driver and sent to each participant by Chris Mears. Each participant's name and address or business card was collected.

Pole Award Presentations

Saturday, April 27 (\$10,000 check): Sam Arcadipane, Store Manager, Redner's Markets

Sunday, April 28 (Leather Duffle): Leo Pound, CFO, Joseph Stomell & Son's

Stellar execution of the Pole Award on both days. IndyCar secured placement of the pole award Mercedes in the winner's circle early, allowing excellent photo ops for the media and prime view from the grandstands.

Direct Mail

Tent Location

The Direct Mail Redemption Tent was in a good location in Lot 1 near the tunnel at the south end of the track. It is the highest volume traffic area at the track and an excellent area for Marlboro visibility. Only a few consumers inquired about where the tent was located but as they were asking they were all headed towards this centralized location. We should continue to use this location at next year's race.

Ticket Distribution

A total of 1,500 vouchers were made eligible to claim 3,000 tickets for Sunday's race.

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The hours for redemption ran from 7:00 am till noon. The traffic was steady throughout the morning with no prolonged waiting times for the consumers. The snake line format continues to operate well.

There were 21 redeemers who forgot their voucher but were provided with tickets through proof of a Marlboro Team Penske card and another form of identification. Nine redeemers were not on the list but claimed they were winners on the phone message during the call-in on April 13, 1996 but never received their voucher. They were told to return when redemption was closing out and were granted tickets.

Gift Distribution

The Nazareth race has produced the largest number of free gifts for the year so far, 1,378.

Ticket Totals

<u>Day</u>	<u>Vouchers Available</u>	<u>Vouchers Redeemed</u>	<u>Redemption %</u>	<u>Free Gifts Red.</u>
Race Day	1,500	1,301	87	1,378

* YTD totals attached.

Points to note:

- Redemption totals increased by 16 % over last year's Race Day.
- 9 redeemers claimed they should have received their voucher but didn't or 0.06 %.

Showcars

The Showcar scheduling went well. There were no cancellations but cold weather did not drive the crowds as much as was expected.

A Showcar was used for the first time at a Bar Night and the feedback from both the drivers and the general public was very positive.

Bar Nights

The establishment chosen was the Main Gate in Allentown, PA

Main Gate April 23, 24, 25, 1996

This location has been used for the last three years. The Off-Track staff enjoy this venue as do the customers. It has a very loyal following and the management is very cooperative. The only problem is that they can only accommodate three games which consequently has an impact on our name generation numbers and Buoniconti Fund donations.

Name Generation: 330

Buoniconti Fund: \$ 115

Recommendations

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Another location should still be considered next year even though the following is there. I believe the impact this promotion has at the Main Gate has reached a plateau. A concentrated effort should be made to 'discover' another establishment and see if any improvement can be made on the numbers we generate in this marketplace.

Sweepstakes Winners

Good feedback from the Sweepstakes participants. The program is leaving a positive impression on the guests at each track.

Hadley representative Randi Nathanson brought her assistant along to introduce her to the program as a contingency in case her services were required if Randi became unavailable.

Off-Track Bannering

The Off-Track bannering was poor. The sales force states that the cause for the low placement of POS materials is due to theft and vandalism. There may be some legitimacy to this claim since some banners ended up on private property. However this reasoning may be creating some complacency on their behalf.

Since the Miami Race the retail MTP banner placement has drastically eroded. This is a major concern since banner placement by our competitors has been strong. If there are state and local restrictions that limit or impede bannering at retail why is it not applying to them?

cc: Steve Sampson
Drew McComb
Renee Butler
Greg Leonard
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May Nivar

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